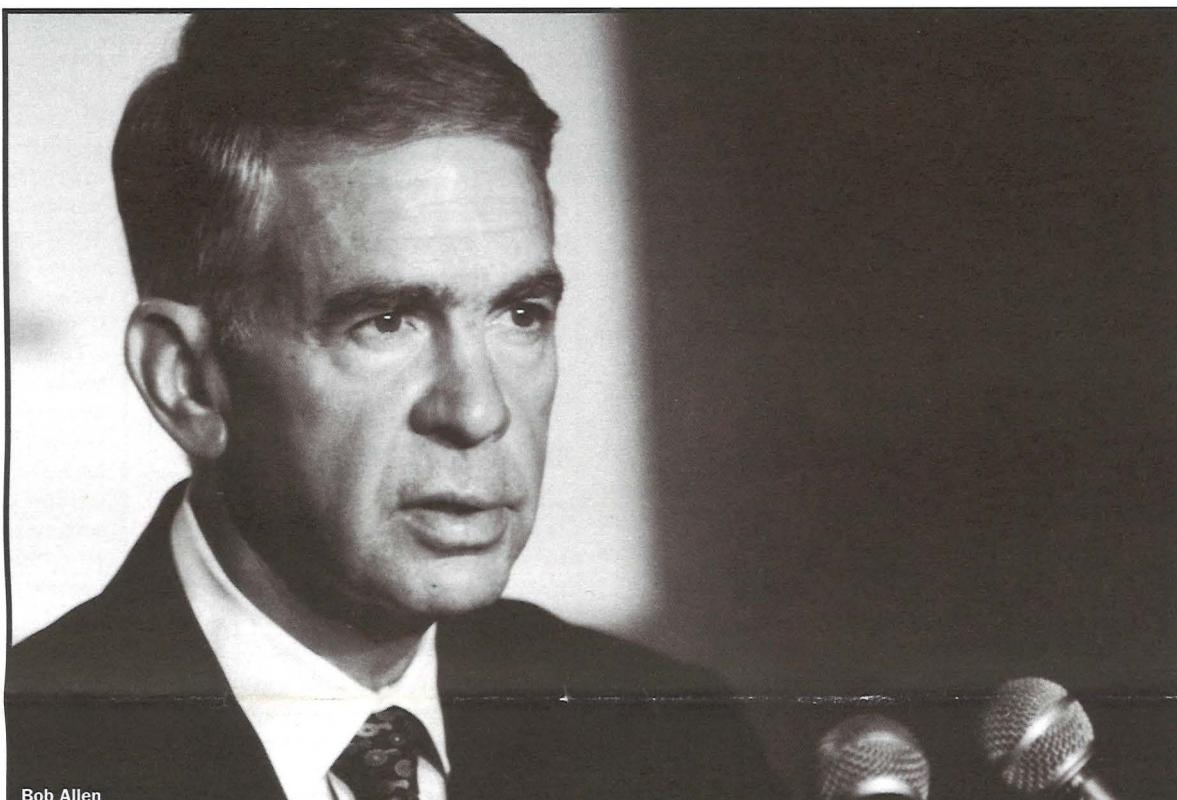


News

ALLEN CALLS FOR OPENING OF FOREIGN MARKETS

"It's time for strong action by the U.S. government to demonstrate that comparable market access is no longer an abstract hope. It's a principle, a standard for telecommunications trade between the United States and other countries, and a necessity for giving customers the level of services they want."

—Bob Allen



Bob Allen

ED ATMAN/COMMUNICATIONS WEEK

AT&T is urging the U.S. government to bar the entry of overseas communications companies into the U.S. marketplace until their home countries open their markets in comparable fashion.

AT&T is specifically urging the Clinton administration to turn thumbs down on plans of the state-owned French and German companies France Telecom and Deutsche Bundespost Telekom to enter the U.S. market by investing in Sprint.

AT&T Chairman Bob Allen says the deal "would not fit any reasonable definition of full and fair competition as long as France and Germany maintain their tight grip on competition in switched voice services and infrastructure."

Allen explained AT&T's opposition to the deal in a speech at a telecommunications conference Sept. 26 in Washington, D.C. Among those present were the CEOs of Sprint and the French and German companies.

"It's time," said Allen, "for strong action by the U.S. government to demonstrate that comparable market access is no longer an abstract hope. It's a principle, a standard for telecommunications trade between the United States and other countries, and a necessity for giving customers the level of services they want."

Allen urged the Federal Communications Commission (FCC) to act on AT&T's year-old request to develop rules making comparable market access a standard for foreign carriers that want to enter the U.S. communications services market. AT&T asked the FCC to review the deal between France, Germany and Sprint in the context of that standard.

The FCC, Allen added, should "require foreign carriers looking to do business in the United States to first demonstrate that their home markets are open to competition in basic services, and provide the kind of network interconnections that go with true competition."

He called on the U.S. government to begin trade negotiations to achieve comparable access in France and Germany. And he urged the Congress to examine the larger issue of comparable market access globally.

"This kind of attention to the market for services would be entirely consistent with the support already provided by the Clinton administration for the rising trend in American exports of telecommunications equipment," Allen said. "The freedom of American carriers to provide their customers with end-to-end global services should not be impeded by political boundaries."

"We're not asking the U.S. government to create a draconian set of market entry conditions here. The bottom line is simply this: we want U.S. carriers to have the practical opportunity to compete in the home markets of other carriers on a comparable basis with the opportunity those carriers have in the United States."

Citing his respect for France Telecom, Deutsche Bundespost Telekom and Sprint, Allen said he didn't "fault the French and German companies for trying to take advantage of the lopsided market access policies in America. But I would find fault with American public policy if it continues to allow this kind of market imbalance on a case-by-case basis." ■

Moscow to Build Network

By William T. Price III

AT&T and three of Russia's leading network operators have teamed up to build and operate a new digital communications network serving the city of Moscow. The \$200 million, four-year network-modernization project is aimed at rapidly expanding Moscow's local and domestic long-distance service for residents and businesses, and improving the system's ability to handle international service.

The contract between AT&T and Moscow Local Telephone Network (MGTS), A/O Rostelecom and Telmos was signed Sept. 27 in Washington, D.C. at a ceremony with U.S. Commerce Secretary Ron Brown and Russia's Minister of Foreign Economic Relations Oleg Davydov. AT&T Global Operations Team Chairman Vic Pelson signed the contract for AT&T.

The network, which will include network-management and operations systems that go far beyond the current system's analog capabilities, will be built by AT&T

continued on page 8

Telecom Reform Bill Fails

Congressional efforts to revise the nation's telecommunications laws fell apart Sept. 23 when U.S. Senator Ernest F. Hollings withdrew Senate Bill 1822, amidst what he called strong opposition by the Regional Bell Operating Companies (RBOCs) to the legislation's provisions. The bill, which was supported by AT&T, set forth the conditions under which the RBOCs and others would be permitted to enter the long-distance market and manufacture telecommunications equipment.

The collapse of S. 1822 marked the end of a two-year effort to reform the country's 60-year-old communications laws. AT&T had supported the proposal because it would have ensured greater competition and customer choice, and kept the local telephone companies out of long-distance until there was true competition in local telecommunications markets.

Some industry analysts express belief that the derailed bill will slow RBOC

entry into the long-distance market. "I don't think the regional Bell companies will be in the long-distance market for at least five years because of this delay," Blake Bath of Sanford C. Bernstein told *The Washington Post*. Meanwhile, a petition filed by the RBOCs to eliminate the Modification Final Judgement, which bars the Bell Operating Companies from entering long-distance services, has still yet to be reviewed by the courts.

"We believe the Hollings bill would have been good for consumers and good for competition," said Jerry Lowrie, AT&T senior vice president, Government Affairs. "The support our employees and retirees gave with thousands of letters and phone calls to Congress helped explain our position to our senators and representatives. That understanding will create a strong base from which they can begin the debate in the next legislative session."

Lowrie expressed thanks to all employees who phoned or wrote Congress." ■

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Editor's Note:
October is
National Disabilities
Employment
Awareness Month

Focusing on

By Ollie Hartsfield

Active is a good word to describe Joe Wood, an engineer for Network Services Division (NSD). When he isn't at work developing software for the NSD Operations Technology Center, Wood often can be found playing sports, particularly baseball. He's pretty good at fielding first and third, and very good at arguing with the umpire. Wood is a vice president of the National Beep Baseball Association and an active volunteer in community projects sponsored by the Lion's Club and Telephone Pioneers of America.

Joe Wood also is blind. "That hasn't kept me from doing what I want to do. People with disabilities can do a lot of things. Sometimes we do things the same way non-disabled people do. Other times we just do them differently," says Wood. For instance, Wood plays baseball with a "beep ball," a softball that emits an audio signal so visually impaired players can hear the ball approaching.

Yet Wood has discovered that some people who meet him for the first time focus more on what he can't do than what he can do.

For Wood and others with disabilities, this attitude, along with the assumptions that follow, can pose emotional barriers greater than the physical ones.

For instance, the assumption that employees with disabilities cannot travel to meetings or perform tasks required for a certain project can keep qualified people from getting a job or from advancing in their careers. Some people with disabilities feel isolated

help they may need to perform their job. In addition, the language used to describe people with disabilities is changing (see "Choosing Words with Dignity," below.)

Sue Decker, a manager in the Accessible Communication Services unit of Consumer Communications Services is deaf. She believes advances in technology also help by making it easier for many people with disabilities to perform their jobs. With fax machines, electronic mail, text telephone equipment and the relay services, people who are deaf and hard-of-hearing are on an even playing field with hearing colleagues, says Decker. "This is probably the best time ever to be deaf," she maintains.

Even the idea that there is a "best time to be deaf" reflects how the Deaf community in the United States increasingly views itself in terms of ability rather than disability. The Deaf community has its own grammar schools, universities, performing arts organizations, and most notably, its own unique language—American Sign Language. As a result, for many, deafness is more of a cultural difference than a physical limitation.

pay off in the long run because an employee can be more productive.

Leonard Kasday, a human factors designer and member of technical staff for AT&T Bell Laboratories, has found the added benefits of accommodating employees with disabilities: you improve conditions for other employees. Kasday recently adapted a windows-based, computer-graphic-software program so visually impaired communications assistants in AT&T Relay Services would hear a warning beep if they typed information in the wrong "window." Other communications assistants asked for the same feature because it cut down on their mistakes as well.

Bridging the Information Gap

Communication is the key to correcting false assumptions about people with disabilities. "There's a lack of awareness of what people with disabilities can do because many non-disabled people have never had much contact with people with disabilities," says Dixon, who is visually impaired. As children, many people were taught by well-intentioned parents not to draw attention to a person's disability. "But people must be willing to ask questions to find out what they don't

know. You may be afraid of embarrassing the person, but making assumptions that aren't true can be even more embarrassing."

Focusing on ability rather than disability means first asking if people who are disabled need help before assuming they do; asking how people will perform a certain task rather than assuming they can't.

"People with disabilities are individuals with individual skills, and need to be looked at that way," says Dixon. ■

Joe Wood

Ability

Choosing words with dignity.

How we refer to people with disabilities goes beyond just being politically correct.

What we write and say can promote positive attitudes by emphasizing the person's worth and abilities, not the disabling condition. In general, refer to the person first rather than the disability. . . .

Simple Etiquette

Sometimes people feel unsure about how to act around people with disabilities. Each person is an individual so each circumstance is different. But, basically, be yourself. Here are some general tips that might help alleviate some awkwardness and misunderstandings.

To get the attention of a person who is deaf, approach so the person can see you and make eye contact. Do not come up from behind to tap the person on the shoulder. If the person doesn't read lips, writing notes is okay. If there is an interpreter present, speak directly to the hearing-impaired person, not to the interpreter.

When talking with a person in a wheelchair for any length of time, sit so you are at eye level with the person.

When walking with a person who is blind or visually impaired, ask if he or she wants your assistance. If the answer is yes, let the person take your arm, don't grab his or hers.

If you think a person with a disability needs assistance, first ask if he or she needs help, and then how you can help. Don't assume you automatically know what the person needs. ■

NEGATIVE PHRASES

people with disabilities	the disabled
person who is blind; person who is visually impaired	the blind
person who is deaf; person who is hearing-impaired	suffers a hearing loss
person who has multiple sclerosis (MS)	afflicted by MS
person with mental retardation	retarded, mentally defective
person with epilepsy; person with seizure disorder	epileptic
person who uses a wheelchair	confined or restricted to a wheelchair
person without disabilities; non-disabled person	normal person (implies person with a disability isn't normal)
physically disabled	cripple, lame
unable to speak; non-verbal	dumb; mute
seizure	fit
successful; productive	courageous (implies person is a hero or martyr)

Source: President's Committee on Employment of People with Disabilities

when others assume that they couldn't or wouldn't want to participate in social activities like going out to lunch. "Feeling included is as important to people with disabilities as it is to anyone else," says Elizabeth Dixon, corporate manager for Equal Opportunity/Affirmative Action.

Shifting the Focus

Things are happening to shift the emphasis from disabilities to abilities. Legislation such as the Americans with Disabilities Act provides equal access to jobs and opportunities by requiring employers to first focus on the qualifications of persons with disabilities, and then to consider what

Another way to shift the emphasis from disabilities to abilities is to give employees what they need to do their jobs effectively. For employees with disabilities, this means making reasonable accommodations or modifications to the job or workplace that enable an employee with a disability to do the job. The President's Committee on Employment of People with Disabilities states that most accommodations are possible using a common-sense approach that requires little expense. In 85 percent of the cases reviewed by the committee, modifications cost less than \$1,000. Even more expensive accommodations

"This is probably the best time ever to be deaf"

Sue Decker

BRUCE WODDER



By Jean Pascual

On Sept. 19, AT&T and McCaw Cellular completed the largest merger in the industry, vaulting AT&T into a leadership role in U.S. wireless services. Scores of tired but jubilant AT&T and McCaw people who worked on the merger celebrated the milestone, savoring their role in one of the most momentous events in the telecommunications industry.

The behind-the-scenes work required to bring the merger to fruition extended far beyond negotiations between AT&T Chairman Bob Allen and McCaw Chairman Craig McCaw. It began more than three years ago when a small task force was formed to determine whether or not AT&T's entry into wireless services would benefit customers, employees and investors.

Where The Jobs Are

Two Out of Three New Numbers

Wireless services are not new to AT&T. Bell Laboratories scientists invented the basic technology which underlies cellular service today [see related story, p. 7], but AT&T chose not to develop the wireless services business at divestiture.

Relative to all the core business issues facing AT&T at that time, the cellular market was not judged large enough to merit separate business development. But subsequent market growth proved otherwise.

The Cellular Telecommunications Industry Association (CTIA) reports that more than 17,000 new cellular customers sign up for new service every day, adding to a base of more than 19 million subscribers. CTIA

figures also reflect a growth rate of more than 48 percent from July 1993 through June 1994, and show that two of every three new phone numbers go to wireless customers.

The task force found that wireless technology was central to AT&T's strategy of being the global networking leader. Says Lew Chakrin, who headed the group, "We concluded that AT&T could not ignore the increasing communications mobility requirements of our customers. AT&T could not sit on the sidelines of what was shaping up to be the fastest-growing communications service of the future."

With that, AT&T Personal Communications Services (PCS) was established, with Chakrin as its leader, to develop AT&T's global wireless strategy. The question then became, how would AT&T provide wireless services—on its own or with a partner? A small group of individuals within PCS began to tackle the problem. It didn't take long for the group to make its recommendation. "It was apparent from our initial analysis that, for the sake of speed and expertise, we needed to join forces with McCaw," recalls Mark Pelson, general manager, PCS External Affairs.

McCaw, with 3.9 million customers, was the industry leader in providing cellular-telephone, advanced messaging, wireless data-transmission and air-to-ground services. So the decision to ally with McCaw was easy. More difficult was determining what type of alliance would work best.

Hammering Out the Details

As the two companies entered negotiations, the PCS team, together with the Chief Financial Office and Legal Division, worked at an intensity many of them had never before experienced. "The complexities of designing such a business partnership were staggering," says Chakrin. Product development, marketing, financial and legal specialists worked long days constructing countless "what-if" scenarios:

After three years of negotiating and planning, the AT&T-McCaw merger is finally a ...

done deal

AT&T would purchase 33 percent of McCaw, with an option for AT&T to take control at a later date.

Improving a Good Idea

As AT&T and McCaw ironed out the details of the Nov. 4 deal, it became apparent that a limited strategic alliance would not allow them to fully achieve the vision of anytime, anywhere communications that would bring information to people, not places. Therefore, the two companies issued a second announcement on Aug. 16, 1993, redefining their business relationship: AT&T and McCaw announced their merger.

At that point, the Legal Division shifted into overdrive to provide the voluminous compilations of documents required by the U.S. Department of Justice. For a merger this size, the Antitrust Division of the Department of Justice must determine whether the merger will harm competition, and thus cus-

- Stock swap or outright purchase?
- If strategic alliance, who directs marketing strategy?
- Who has the primary customer relationship?

- What technology would be developed? Who would own patents?
- How would each company be organized?

Every scenario was held to the same tests: how well AT&T customers and shareholders would be served.

Throughout this process, secrecy was critical, in part due to strict Securities and Exchange Commission rules regarding the impact of potential financial transactions on investors' decisions. "Project Airtime" became the code name for the McCaw deal. Polly Azarian, Chakrin's secretary, recalls, "The hardest part was making our regular jobs look like 'business as usual' while we also worked on Airtime."

For months on end, Azarian and Paula Andreou, also a secretary on the team, took turns running down to the company cafeteria and bringing food back to their desks, one of them slipping into the other's chair to finish a set of view-graphs on time for an executive presentation. For awhile, few of the team members in PCS, Legal or Financial were able to make it home in the evenings, and popcorn and pizza became standard dinner fare.

Jim Grimshaw, a financial member of the PCS team, recalls running late the Sunday he promised to take his wife, Tammy, and their two kids out to dinner. He called her to say he'd have to meet them at the restaurant. Later, he paged her at the restaurant to tell her bad news: he wouldn't be able to make it at all. Tammy's bad news was that she hadn't taken any money with her and she didn't have the keys to the house. She ended up breaking in through a back window. Grimshaw says, "I'm glad Tammy can laugh about it now."

Chakrin and Marilyn Wasser, who was then PCS general attorney and is now Corporate Secretary, represented AT&T in the early ongoing negotiations with McCaw. Alex Mandl, executive vice president and CEO, Communications Services Group, and John Zeglis, senior vice president, General Counsel and Government Affairs, joined the team during summer of 1992 and drove the direction of the negotiations. The breakneck activity led to the Nov. 4, 1992, announcement that

Now What?

M

caw now becomes known internally as AT&T Wireless Services business unit.

"The significance of what we're announcing cannot be measured in numbers alone," AT&T Chairman Bob Allen told reporters at a news briefing. "By joining forces with McCaw, we are creating a company that can take wireless technology to places that it's never been before. Together, we will not only satisfy customers' growing appetite for mobility, we will also serve that mobility with a range of wireless services that goes beyond anything that most of us have ever imagined."

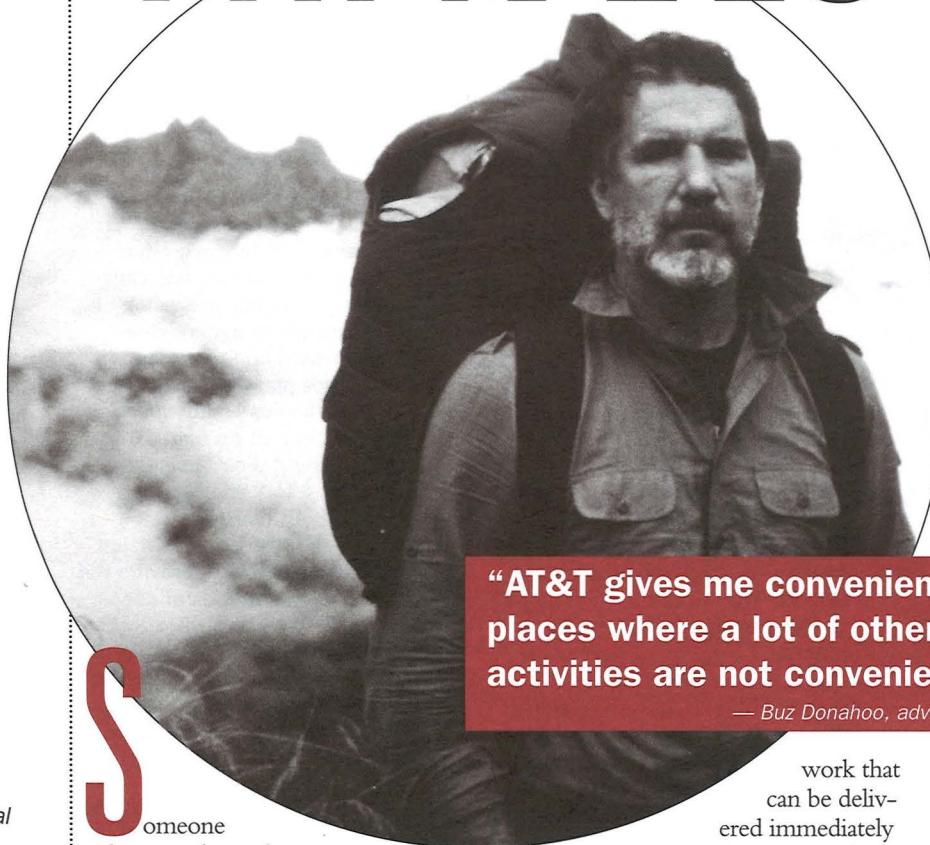
AT&T will move quickly and aggressively, within the bounds of the Department of Justice consent decree that guides the rules of the merger, to offer:

- one-stop shopping for paging, messaging, air-to-ground, cellular data services and long-distance services, under the AT&T brand name;
- seamless services between the wired and wireless networks;
- innovative two-way paging services linked to a 500 number;
- AT&T True Rewards customers the option to redeem their points for McCaw paging and cellular services.

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"It was apparent from our initial analysis that, for the sake of speed and expertise, we needed to join forces with McCaw" —Mark Pelson, general manager PCS External Affairs

GUIDE TRAVELS FAR WITH AT&T



"AT&T gives me convenience in places where a lot of other daily activities are not convenient."

—Buz Donahoo, adventure guide

By Jean Pascual

"People who travel with me trust that I've taken care of the details. AT&T makes it possible ..."

Someone who struggles under the weight of heavy backpacks while climbing up steep, narrow paths, fights bruising boulders while piloting white-water rafts and sleeps in steamy night air under mosquito nets deserves some balance of things that are easy to do.

For travel adventure guide Buz Donahoo, AT&T is a big part of that balance. Sounding almost like a commercial, Donahoo says with conviction, "Using AT&T is one of the easiest and most reassuring parts of running my business."

Donahoo used to be an architect, but he says the lure of mountain climbing, whitewater rafting and deep-sea diving won him over a few years ago. He has guided more groups on Peru's Inca Trail to the Machu Picchu ruins than any other non-Peruvian guide.

Donahoo plans 16 or 17 trips a year and leads

about 12 of them, so he's out of the country about two weeks a month. As a one-man business, he must be able to reach his clients and suppliers whether he's at his office in Orlando, Fla., or trekking in Nepal. AT&T international calling services are what make that possible.

With AT&T True Messages, a service that can be used either domestically or internationally, Donahoo can conduct business even in his sleep. True Messages lets Donahoo leave a voice message on the AT&T net-

work that can be delivered immediately or at a later time. The recipient can leave a voice reply to Donahoo's message, which he can retrieve any time within the following 24 hours. "I used to get up in the middle of the night to call Thailand, because they're 12 hours ahead of us," Donahoo says. "It helps me immeasurably to leave someone a message, have it delivered later and then pick up the person's reply when I wake the next day."

Another way Donahoo beats the time-zone problem is by using fax, which accounts for nearly 55 percent of his calling. He can fax a travel itinerary or a supplier contract to any location that has a fax machine, where it awaits pickup the following morning.

Donahoo gives partial credit to AT&T for his nearly 600 repeat customers. "People who travel with me

trust that I've taken care of the details," he explains. "AT&T makes it possible for me to check ahead on transportation, local travel guides and lodging, even when I'm calling between two places outside the United States."

When Donahoo is out of the country, not all of his calls are back to the United States, and even then

he can use AT&T services. For instance, if Donahoo were conducting a mountain-climbing trip in Malaysia, he could use AT&T World Connect service to call ahead to

confirm plans with suppliers in Greece for his next week's sight-seeing trip—one of his less rigorous excursions.

Donahoo says his favorite service is AT&T USADirect, which lets him make calls to the United States from almost any phone in the world. After being threatened by territorial bull sea lions in the Galapagos Islands or emerging from a mountainside avalanche on Mt. Cotopaxi in Ecuador, Donahoo says, "It's reassuring to call USADirect and hear the voice of an AT&T operator."

Donahoo shares that reassurance with his fellow travelers, frequently telling them the USADirect access code for a particular country so they too can call home easily.

"I'm getting a bargain, considering the ease with which I can contact anyone at any time," says Donahoo. "AT&T gives me convenience in places where a lot of other daily activities are not convenient." ■

AT&T offers many international services that make it possible for customers to call to or from almost any place in the world as easily as they can call within the United States.

"The AT&T Guide to Calling Outside the United States," a pocket-sized user's guide provides calling instructions, AT&T access numbers and features and services. To order call 800-331-1140, ext. 100.

Innovative Ways AT&T Reaches International Travelers

When AT&T Consumer Communications Services (CCS) started a "Meet and Greet" program at international airports in late 1993, hosts discovered that more than 40 percent of the travelers arriving from the United States were not aware they could use AT&T service from non-U.S. countries. CCS employees are making sure that percentage dwindles quickly. Here are a few innovative ways AT&T reaches international callers:

AT AIRPORTS—CCS employees greet passengers arriving from the United States at international airports and give them leaflets and wallet cards that describe how to place calls from that location. The travelers seem to like it. Karen van de Vrande, managing director, Consumer Services, for Europe, Middle East and Africa, says, "One U.S. traveler asked, 'What's AT&T doing here?' when a host at Belgium's Zaventem airport gave him a calling packet. He said he was glad a company he was familiar with was there to make it easy for him to stay in touch with his family."

ON CRUISE SHIPS—Starting in November, vacationers departing from Miami and Ft. Lauderdale, Fla., for the Caribbean, Mexico and South America are likely to hear about AT&T calling services from the cruise ship's "port lecturer." Port

lecturers are to cruise ships what concierges are to hotels, but on cruise ships the port lecturers also conduct informational programs prior to shore excursions. Sharon Durick, consumer marketing manager for the Caribbean Region, says, "Now when travelers go ashore for the day, we'll give them a wallet card that shows how easy it is to call a friend and ask, 'What kind of perfume did you want me to bring you?'

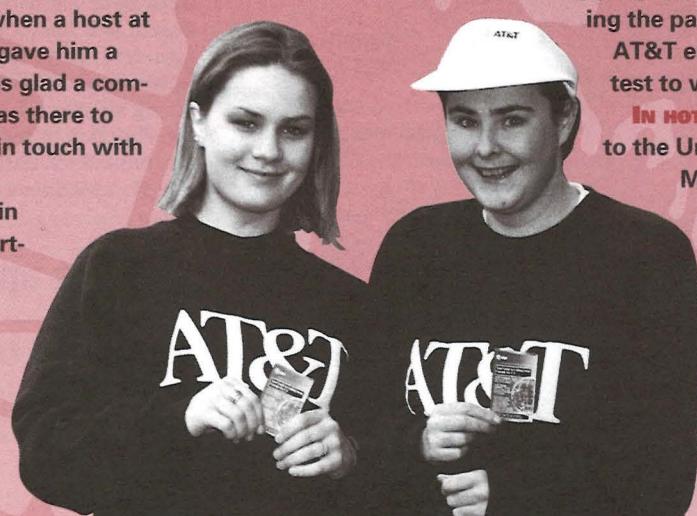
IN TAXIS—In some countries, AT&T has invited taxi drivers to hand out USADirect wallet cards to U.S. travelers. In Ireland, the program is dubbed "The Gift of Gab." Does the taxi program work? van de Vrande says, "It's hard to attribute increased revenue and minutes proportionately to each marketing program, but the cabbies do seem to enjoy sharing the packets of information with their riders."

AT&T enters the taxi drivers' names in a contest to win a free flight to the United States.

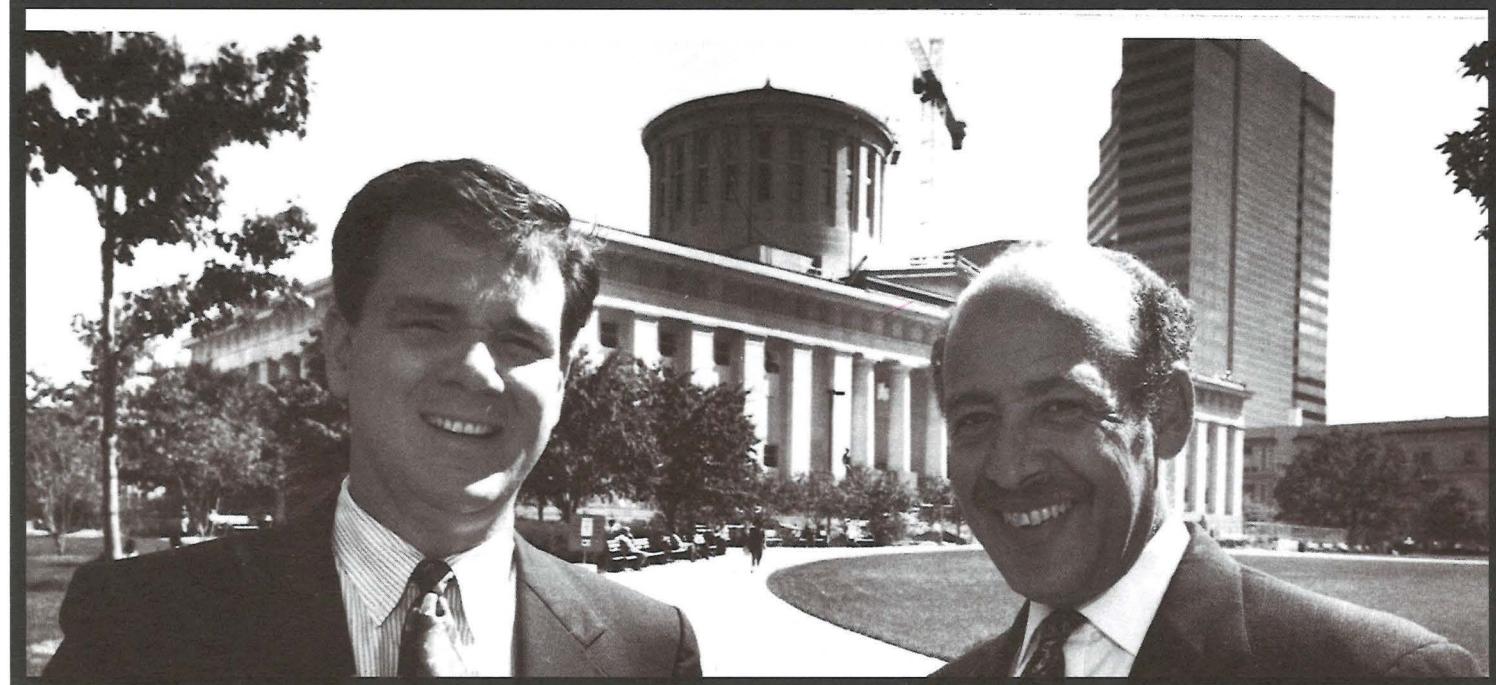
IN HOTELS—More than 60 percent of the calls to the United States are made from hotels.

Many hotels provide AT&T calling information in the guest rooms to help travelers make international calls.

ON TOUR BUSES, IN RAILWAY STATIONS, AT CAR RENTAL COUNTERS—AT&T distributes brochures, wallet cards and city maps to transportation companies and asks them to insert them in travelers' welcome packages. ■



AT&T hosts distribute wallet cards in Ireland.



TOM HUBBARD/BLACK STAR

Shannon Hill,
account executive,
left, and Bill
Turner, support
the State of Ohio.

Gaining a Toll-Hold in The IntraLATA Market

By Jean Pascual

Amidst numerous, fast-changing, increasingly competitive market demands—all of which carry an “urgent” label—the need for AT&T to move into the business intraLATA market stands out as a top priority. That’s why Business Communications Services is moving quickly to capture a share of intraLATA opportunities.

More than Minutes and Dollars

IntraLATA service goes by many names: regional toll, regional long distance, in-state service, local toll. They all refer to calls to neighboring communities that incur time and distance charges. Once the exclusive domain of local exchange carriers, today more than 40 states allow long-distance companies to carry intraLATA traffic.

No matter what it's called, the intraLATA market is worth more to AT&T than \$8 billion in potential extra revenue generated by 55 billion minutes in business calls annually. It also gives AT&T an opportunity to move closer toward fulfilling what customers say they want:^{*}

- one itemized bill instead of many bills for multiple services, and
- one point of contact for telecommunications services rather than many contacts.

At present, it's not possible for a customer to receive a single bill for all calls from one carrier because regulation prevents local exchange companies from carrying long-distance calls and long-distance providers from carrying non-intraLATA local calls. But it's now possible to put all toll business calls on one bill, and many customers see that alone as a big advantage.

Higher Discounts, Better Billing

Just five days after the state's utilities commission allowed AT&T to enter the New Jersey intraLATA market, the Business Communications Services (BCS) account

team for the New Jersey Hospital Association (NJHA) closed a \$17.5 million, five-year contract, securing the intraLATA portion of the customer's calls.

Mark Kwiatkoski, sales manager, says bill consolidation was one of the primary reasons why NJHA chose AT&T as its intraLATA carrier. “The customer also liked the fact that our bill will itemize the calls, including the intraLATA ones, by place, duration and charges. The bill from the local exchange company showed just the total number of call minutes and charges, but didn't break them out.”

What's more, the addition of the intraLATA minutes to its long-distance minutes moved NJHA into a higher volume discount plan, thus reducing its total bill. The added calling volume also lets the association buy less expensive “bulk access” at many of its locations.

Customers receive an additional cost reduction benefit because AT&T business calling plans bill in six-second increments after the initial 30 seconds. Most local exchange companies bill in 60-second increments, so customers pay for more time than they actually talk.

Bill Turner, national account manager, says Ohio is moving its intraLATA traffic to AT&T for similar reasons. The customer expects to save as much as 10 to 30 percent on intraLATA calls that used to be as high as 40 cents a minute. “Besides the obvious benefits of reduced costs and having all toll calls on one bill,” says Turner, “the customer is really glad to move toll calls onto our Software Defined Network because they've been very pleased with our service.”

Dialing Around Obstacles

That's not to say that selling business intraLATA is easy. Linda Orum, division manager, BCS New Market Development, says one of the biggest obstacles to selling intraLATA services is that customers must dial extra digits (10-ATT) to access the AT&T network.

“It's a complex market. The regulations, pricing and ability to dial

10-ATT for intraLATA calls differs by state and locality, so our approach to each market differs,” Orum explains. “Once we understand the conditions in a particular market, we then work with customers to understand how intraLATA calling affects their business locations. Some customers have private branch exchange (PBX) programs that capture the place, call duration and cost of intraLATA calls, but many don't.”

To make it easier for customers to move their intraLATA traffic to AT&T, BCS teamed up with Global Business Communications Systems (GBCS) to offer solutions that overcome the inconvenience of dialing extra digits. GBCS will reprogram PBXs to automatically route intraLATA toll calls to the AT&T network so users don't have to dial extra digits. BCS offers customers a special credit toward reprogramming their equipment or toward installing an autodialer, another solution that allows the equipment to dial the extra digits so the user doesn't have to.

GBCS expects to handle a large volume of reprogramming changes in the fourth quarter, and even more in January 1995 when California opens

for intraLATA competition,” says Vinnie McShane, who leads the GBCS team in support of the BCS intraLATA promotion. With 13 billion minutes of intraLATA traffic, California is the largest opportunity, representing more than 30 percent of the business market. New Jersey, the second largest intraLATA market, makes up 9 percent, with 3.7 billion minutes.

Equal Access

Making dialing easier and improving target marketing plans do not constitute a cure, but they help. Meanwhile, AT&T is working to change state regulations that require dialing additional numbers. Part of Rich Clarke's job as district manager, BCS New Market Development, is to examine regulatory issues. While legally allowing long-distance carriers to enter the intraLATA market is a first step, Clarke adds, “Until people can access all carriers' services in the same way—that is, without the inconvenience of dialing extra digits—no one can begin to consider this a reasonably competitive marketplace.”

Clarke says that in many states, coalitions of long-distance carriers work closely with the public utilities commissions to help bring about regulation that will allow fairer competition.

Craig Leighty, the account executive who supports the New Jersey Hospital Association, says, “Customers don't want to dial extra digits. They'll be happy when they can subscribe to an intraLATA carrier and receive the same dialing convenience as they currently do with the local carrier.” ■

intralata

Phyllis Molner-Tutek, NJHA assistant vice president, Operations (second from left) with Craig Leighty, (left), Joan Reale, AT&T technical sales specialist, and Mark Kwiatkoski.



WORKPLACE

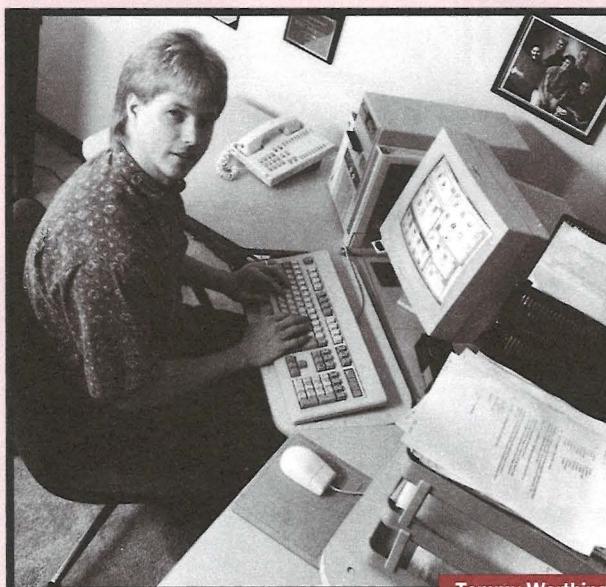
By J. R. Peterson

Telecommuting

On Sept. 20 AT&T invited employees to stay home. An estimated 32,500 workers throughout the country, including AT&T Chairman Bob Allen, accepted the offer and worked from their dens, homes—even their cars. It was all part of AT&T Employee Telecommuting Day, the company's first effort to encourage employees to experience firsthand the many benefits associated with telecommuting and virtual office arrangements.

By sponsoring Telecommuting Day, AT&T plans to learn from current and first-time telecommuters and gather data on telecommuting's environmental impact. Telecommuting is a trip reduction option that can help companies comply with the Federal

About 7,300 AT&T telecommuters took part in a call-in survey to measure the impact on the environment and employee opinions on telecommuting.



Tommy Worthington

TIPS

◆ If your job lends itself to telecommuting, gain the trust and support of your management by building a business case that addresses such issues as benefits, costs, effects on customers/co-workers, equipment needs and performance measurements.

◆ Work closely with your supervisor to establish written guidelines and objectives before you begin telecommuting. A telecommuting agreement signed by both you and your supervisor is useful in addressing key issues before beginning your telecommuting arrangement.

◆ Create a dedicated home office space that is safe, secure and productive.

◆ Determine service and equipment needs. Consider using a second phone line for maximum productivity.

◆ Update your voice mail messages at both the home office and company location so customers and co-workers can reach you or someone else for a timely response.

◆ Communicate with your co-workers and supervisor on a regular basis by phone, fax and electronic mail.

◆ Don't expect to provide child or elder care while working from home—keep existing arrangements in place.

◆ Don't work 24 hours a day. Schedule beginning and ending work times and use the flexibility and time saved by not commuting to help balance the demands of work and your personal life.

Clean Air Act Amendment requirements. It conserves fuel, reduces miles driven and pollution generated, and cuts down on stressful commute time.

Working at home was not a new experience for the majority of the participants, according to Sue Sears, project director, AT&T Telecommuting Day. A total of 22,500 management and non-represented occupational employees* already telecommute on a full- or part-time basis—many with a formal agreement. About 7,500 employees, mostly in sales, work in a "virtual office" environment with their cars as a home base. Equipped with cellular phones and notebook computers, these on-the-go telecommuters live the concept of "anytime, anywhere" communications.

New Territory

Horace Starr, Network Services Division district manager in Denver, was among the 2,500 workers who telecommuted for the first time on Sept. 20. Starr says he was pleased with how much he was able to accomplish, even with solicitation calls from carpet cleaning services. Even better was saving two hours of commute time, giving him more time with his family.

But telecommuting for the first time, Starr quickly found a few home-office drawbacks that he'd change in the future: the call waiting feature on his phone created unwelcome interruptions; he needed another phone line; and he wished he had brought home more files.

Telecommuting is not new to Starr's nine-member team. Three members recently moved into a full-time virtual office arrangement, realizing a savings in real-estate costs. The other six worked from home on Telecommuting

Day. Although Starr is sold on telecommuting, he sees some drawbacks to a full-time arrangement for everyone.

"There's no question in my mind that telecommuting will work for us, but I'm concerned about the people working full-time from a home office," Starr explains. "I think people still need to see one another to keep the team environment strong. We're developing procedures to make sure that we can telecommute and still operate like a solid team."

More Time for Customers

For Sherry Plotkin, being able to telecommute has meant trading in a grueling commute to Los Angeles for a one-minute walk across her yard to the guest-house-turned-home-office. Now when Plotkin awakes to the L.A. traffic report, she just smiles. A national account manager for AT&T Global Business Communications Systems, Plotkin loves the home arrangement that puts her closer to her customers. "It used to be all in a day's work to commute nearly four hours between my customer and the AT&T branch office," explains Plotkin. "Now when a customer makes changes on a proposal, I run home (about eight miles) and bang it out on my computer. Telecommuting literally gives me back two to four hours every day that I use to serve customers, and after work hours, get to my son's soccer matches and cross-country meets on time."

Not for Everyone

While many jobs are compatible with telecommuting, others are not. Tommy Worthington and Perita Mann-Jones have been part of the same financial analyst team within Network Services Division in Atlanta. Both have telecommuted full time for more than a year and haven't missed the lengthy Atlanta commutes. Mann-Jones, a single mother, relies on her telecommuting arrangement to help balance her work and parental obligations. She says she's more

Here's what we found:

- Nearly two-thirds of the participants cite better balance of work and personal life and increased productivity as the major employee benefits of telecommuting.
- Only three percent say that telecommuting would interfere with their family/home life.
- Nearly two in three say that increased productivity and reduced expenses are the major benefits of telecommuting to the company.
- 92 percent say they are in favor of more telecommuting by coworkers.
- 90 percent see more workers in their job category telecommuting in the future.
- More than 97 percent say that household/family members would not object to using part of the home as an office.
- The average telecommuter avoided 43 pounds of pollution; saved 2 gallons of gasoline; eliminated a 41 mile roundtrip commute; and saved nearly 70 minutes in roundtrip commute time.

productive and still gets to spend extra time with her son.

Worthington recently moved into another work group where all the members of his new team work at the office. Last month he decided to discontinue his full-time telecommuting arrangement and work closer to the group. "Moving into a new group, I needed to become more connected to the team. That was awkward as a full-time telecommuter. I needed to be in the office to get to know everyone better."

The Weary Commuter

Sept. 20
Marked AT&T's
First Company-wide
Employee
Telecommuting
Day

Imagine a 180-mile daily round-trip commute to the office. That's what Kelly Steindler, Consumer Communications Services staff supervisor in Basking Ridge, N.J., now only faces twice a week. "If it weren't for my home office set-up in Putnam Valley, N.Y., I'd probably never see my eight-month-old child."

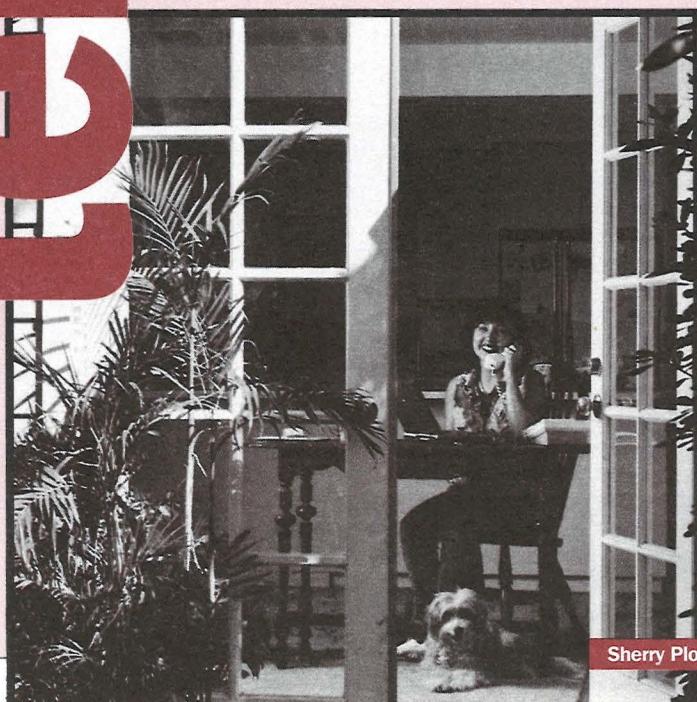
Steindler's department recently reorganized, leaving her nervous that her existing telecommuting arrangement might be in jeopardy. Instead, Steindler was given expanded responsibilities and her own programs to manage.

Steindler says that not all managers like the idea of telecommuting. In the past, she has had the opportunity to take other AT&T positions, but the hiring supervisors required office coverage five days a week.

"Sometimes I miss the socialization of being in the office, but 180 miles is a long way to drive for lunch with a co-worker," says Steindler. ■

* Telecommuting is not currently provided for in union bargaining agreements.

AT&T Telecommuting Day Results



Sherry Plotkin

MOTHERS AGAINST VIOLENCE

Saving the children

Margaret Ensley



DOUG MAZELL/BLACK STAR

When Margaret Ensley talks to students in South Central Los Angeles schools, she always brings the framed photo of her son. As the students study the picture of the smiling 17-year-old in cap and gown, Ensley often sees tears in the eyes of children who have become desensitized to the violence of our society.

"I want them to know who he was because he is worthy of being remembered," says Ensley, a business accounts manager in Business Network Sales, Monterey Park, Calif. "He wasn't just a statistic. He had people who loved him and he didn't deserve to die the way he did."

Her son, Micheal Shean Ensley,

was shot to death on Feb. 22, 1993, in his suburban high school, by another student who "didn't like the way Micheal had looked at him."

Ensley remembers the grief, anger and unanswered questions that filled her. "I didn't understand how this could have happened. I sent my son to a suburban school to get him away from the gangs of South Central Los Angeles. I did the things I thought were right and yet, they weren't enough to save my son's life."

Before that day, Ensley would describe herself as just a mom; a single parent trying to raise her two children.

Today, she is a crusader in the fight against school violence and the founder of Mothers Against Violence In Schools (MAVIS).

In the weeks following her son's death, Ensley became aware of how pervasive the problem of school violence was and how few school programs and laws were in place to address the issue. After appearing on local and national talk shows, she began receiving calls from parents and students across the state who told story after story of violence on school campuses, and the frustration they felt in not being able to get help to deal with the problem. It was the staff of the "Montel Williams Show" who first gave her the idea to start an organization. Now, most of Ensley's vacation, evenings and weekends are spent talking before church, school and community groups, giving work-

shops on preventing school violence and answering calls over the MAVIS hotline from students seeking help and advice. Six co-workers in her branch office have become active members of MAVIS, helping to coordinate the organization's workshops, speaking engagements, school essay contests, and fund-raising events.

Ensley warns parents not to be lulled into a false sense of security and counsels them to stay in touch with what's happening at their children's school. She encourages students to break "the code of silence" by letting parents and school officials know who is bringing weapons into school. She has testified at state hearings on school violence; lobbied for improved laws governing school safety and the criminal prosecution of teenage offenders, and participated in state task forces on violence. Through the lobbying efforts of MAVIS and other organizations, California passed a law allowing 14-year-old offenders to be tried as adults.

Word about the organization is spreading. A Massachusetts chapter opened in June, and parents in San Diego, Miami, Arkansas and Atlanta have asked for help in starting chapters there. "This is not a South Central Los Angeles problem," says Ensley. "It's a nationwide problem, and it's a life and death problem."

The work of MAVIS has helped Ensley understand why she's still here and her son Micheal isn't. "I'm here to make sure that his memory lives on by saving other lives. If I can put a program in place so a child can't bring a gun into school freely, or if I can deter someone from violence, then it's a tribute to my son whom I love very much."

To find out more about MAVIS, call 213-418-1337. ■

—Ollie Hartsfield

Cellular Pioneers Honored



Richard Frenkel

ARTHUR KRAZINSKY

"When we started this work on cellular, a car phone was an oddity"

Richard Frenkel and Joel Engel, two former AT&T Bell Laboratories researchers, have been awarded the National Medal of Technology for pioneering cellular telephony. The country's highest honor for achievement in technology, the award is for breakthrough concepts and inventions directly responsible for increasing mobile communications capabilities a thousandfold and making possible today's \$13-billion cellular industry.

This is Bell Labs' fifth Medal of Technology from the U.S. Commerce Department. Bell Labs scientists also received five Medals of Science, the country's highest honor for achievement in science. Cellular technology—for which AT&T holds more than 500 patents—was conceived at AT&T Bell Laboratories in response to the limitations of early radio communications systems.

Frenkel and Engel began their investigations in the 1960s. "When we started this work on cellular, a car phone was an oddity," Frenkel recalled. "You couldn't get one if you wanted it. We knew there was lots of pent-up demand, but the technology wasn't capable of supporting it."

The pioneering work begun by Frenkel, Engel and others at Bell Labs shaped the basic cellular system architecture and solved complex problems such as how cellular systems locate vehicles and hand off calls from cell to cell as vehicles move. Their work is the foundation for the cellular systems which have revolutionized mobile communications and made today's convenient and sometimes lifesaving cellular services readily available.

Frenkel led the Bell Labs team that was responsible for the first commercial implementation of a cellular system. He holds the patent for the "underlaid cell" concept, which greatly simplified the process of adding smaller cells to a system as more customers demand service. He also helped set standards to assure cellular compatibility throughout the United States and in many other countries. Both Frenkel and Engel worked closely with the Federal Communications Commission to shape federal rules and regulations for cellular standards and use.

In 1987, Frenkel, Engel and their Bell Labs colleague William Jakes were honored with the Alexander Graham Bell Medal of the Institute of Electrical and Electronics Engineers (IEEE) for their work on cellular radio. Frenkel also was a recipient of the Industrial Research Institute Achievement Award in 1992 and the AT&T Patent Recognition Award in 1991. He is a Bell Labs Fellow and a Fellow of IEEE. He retired from AT&T in 1993 and is now an industry consultant, teacher and writer.

Engel is vice president of technology for Ameritech Corp. ■



—Richard Wallerstein

Newsbriefs



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THE NEW ESTABLISHMENT Power. Influence. Vision—Those are the words *Vanity Fair* used to describe AT&T Chairman Bob Allen along with 19 other "powerbrokers" featured in the magazine's October issue. *Vanity Fair* says these "baccaneering breed of entrepreneurs and visionaries, men and women from the entertainment, communications, and computer industries, ambitions and influence have made America the one superpower of the Information Age." Other movers and shakers, called the New Establishment by *Vanity Fair*, include McCaw Cellular Chairman Craig McCaw, Bell Atlantic Chairman Ray Smith, Turner Broadcasting System Chairman Ted Turner, QVC Chairman Barry Diller, Microsoft Chairman Bill Gates, and Tele-Communications Inc. President John Malone.

Another TrueVoice... Beginning in late October, international pop-star Luis Miguel will be in Spanish-language television commercials for AT&T TrueVoice. The advertising campaign package includes merchandising promotions, direct mail activities and sweepstakes contest promotions. "Luis Miguel is a top international artist with one of the highest quality voices in the Spanish language," says Cathe Martine, AT&T's vice president of marketing for international consumer long distance. "Through his music we can communicate to the Hispanic commu-



nity the superior quality AT&T alone offers its customers with AT&T TrueVoice." A two-time Grammy winner, Luis Miguel was recently recognized at the World Music Awards in Monte Carlo as the most popular Latin artist in the world. Miguel joins superstar Whitney Houston in promoting the superior sound quality of AT&T long-distance service.

Commercials featuring Houston began airing in the United States in July.

Mother knows best... For the second year in a row, AT&T is among the ten top companies for working mothers, according to *Working Mother* magazine. The October issue releases the magazine's annual list of the nation's 100 best firms for working moms.

For the sixth year running AT&T has made the list of companies that care about helping their employees' work and family lives mesh smoothly.

Women make up more than a third of management at

AT&T and nearly half of its workforce. Companies are judged by criteria that include pay, opportunities for advancement, child-care support and family friendliness—flexibility, part-time work, job sharing, compressed work weeks, telecommuting, and long maternity leaves.

Telecommuting Day is one recent example of how AT&T helps people balance their work and family lives. Also, AT&T's family care development fund provides millions in seed money to enhance child- and elder-care programs.



Profit by Association...The National Baptist Convention USA, Inc. (NBC), a non-profit organization of African American Baptist churches, will market AT&T's long-distance services and communications products to the NBC's 33,000 churches and 8 million members. The three-year "Profit by Association" agreement offers discounts on AT&T business long-distance services to NBC-affiliated churches and to church members. A unique feature of the program enables members to make a donation to the NBC through points earned with AT&T True Rewards. In addition, NBC members who switch to AT&T from another long-distance company will receive long-distance certificates to cover the cost of switching. These certificates, valued at \$15, can be applied to the customers' phone bills or donated to the NBC. The agreement also offers discounts on AT&T business long-distance services to NBC-affiliated churches and to church members who own businesses.

AT&T Goes to Hollywood...Again

How does a filmmaker make a thriller more thrilling? Make it more realistic. For Paramount's hit film, "Clear and Present Danger," realism entailed a call to AT&T for the super-secure telephone that CIA hero Jack Ryan uses. Real intelligence officials use secure telephones to discuss classified information. And so do Ryan and other top government officials in the movie. They use AT&T secure

Undersea Cable Contract...

AT&T Submarine Systems and KDD Submarine Cable Systems, Japan, will be building more than one-half of the Asia Pacific Cable Network, an undersea fiber-optic cable that will link Japan, Korea, Taiwan, Hong Kong, the Philippines, Indonesia, Singapore and Thailand. Under the \$232 million contract, AT&T and KDD will provide the northern and southern segments of the 12,000-kilometer cable network. Alcatel Submarine and STC of France will install the middle segment. The network will be the world's fourth undersea cable system using optical-amplifier technology jointly developed by AT&T Bell Laboratories and KDD.

telephones, a product of AT&T Secure Communications Systems—a unit of AT&T Paradyne.



This is not the first time AT&T played a leading role in Hollywood. In 1926 AT&T Bell

Laboratories technology made "talkies" possible with the premier of "The Jazz Singer." AT&T telephones have had prominent roles in movies since the first call was made on the silver screen. Today AT&T products are common place in movies and on television.

Moscow

Continued from front page

Network Systems International (NSI) and operated jointly by MGTS and Telmos. It will support more than 400,000 new subscribers; handle simultaneous long-distance and international traffic of an additional one million subscribers; and substantially improve the completion of international calls.

According to Auke Gerbens, AT&T-NSI marketing and international sales vice president, the Moscow project represents several firsts for AT&T.

"This project, combining the expertise of Network Systems, Communications Services and Multimedia Products and Services, broke new ground in successful cross-business unit coordination and cooperation. Bringing together the strong capabilities of all three groups created a joint business case that was extremely effective. This was indeed a case where the whole was greater than the sum of its parts," Gerbens said.

The project, known as a value proposition, is an unprecedented effort which could serve as a model business case for similar projects around the world.

The extensive modernization calls for 5ESS digital switching equipment, a digital transmission system based on Synchronous Digital Hierarchy technology, the creation of the Moscow Integrated Network Operations Center using the BaseWorX software platform and the Telecommunications Management Network Architecture; and the establishment of a local software development organization as well as training and support services.

In addition, the Communications Services Group will work closely with Rostelcom to improve the quality of communication between Russia and the United States, and help define and design communications services to meet the needs of business and residential customers in Moscow. This contract with Moscow is the latest success for AT&T in Russia and other eastern European countries.

McCaw

Continued from page 3

When the focus shifted from documentation gathering to negotiating a consent decree with the Department of Justice, Mark Rosenblum, vice president, Law and Public Policy, led AT&T in these negotiations. The consent decree, signed July 15, 1994, contains the conditions under which AT&T must operate McCaw.

A Story to Tell their Grandchildren

Following the August 1993 press announcement that AT&T would acquire McCaw, Chakrin hosted a celebration for the team. He told the group, "As you look back on your careers, you're fortunate if one or two things stand out as having had a significant impact on the future of the business—something about which you can say to your grandchildren, 'I helped do that.' Everyone who worked on this deal has the satisfaction of saying that. You changed the course of the company."

Correction — "Attracting Consumers" in the September issue incorrectly reported that Intrastate calls are not eligible for MCI's Friends and Family II program. In most states, Intrastate calls are now eligible.